

**Prepared Remarks of FCC Commissioner Mignon L. Clyburn
SEATOA's 9th Annual Conference
Asheville, NC – April 27, 2010**

Thank you for that kind introduction, Ken. Good morning. I don't know about you, but I could get used to the mountain air in Asheville. It is absolutely beautiful here? I have been thinking that, with a broadband connection, I could really just telecommute from here to Washington.

It is a pleasure – for more than one reason – to be here with you to talk about the Commission's recently released National Broadband Plan and all the benefits that broadband has the potential to bring, including better commutes.

The theme of this conference, "Expanding Community Networks," is exactly what the National Broadband Plan is about – ensuring that broadband is made available to all Americans, no matter where they live.

Broadband has the potential to improve many aspects of American lives. The heart of the Plan is that broadband is essential to informing and empowering all Americans. However, the Plan estimates that 14 million Americans – or seven million households – do not have access to broadband. The Plan offers numerous recommendations for making broadband available to all Americans, including for example, expanding universal service support to explicitly fund broadband.

Expanding broadband networks to cover all Americans is only one piece of the puzzle. We also must encourage all Americans to adopt and use broadband in order for them to be truly connected. Nearly one-third of Americans have not adopted broadband at home, meaning they cannot easily find or apply for jobs, and they cannot take advantage of educational, health care, and small business opportunities available online. The Plan suggests several ways to encourage more Americans to adopt and use broadband, including one of my personal favorites – a Digital Literacy Corps to teach computer and online skills.

Connecting America is the ultimate goal of the National Broadband Plan. To achieve the goal of reaching all Americans, we must expand community networks – as you already aptly recognize. The work that you are doing in your local communities is crucial for helping us reach our national goal of connecting every American to high-speed Internet. I know that improving the lives of your constituents and the economic well-being of your cities and towns is the essential mission for each of you. I firmly believe that broadband availability in your local communities will help you obtain those objectives.

While Broadband networks are costly to build, an important insight from the Plan is that they have substantial economies of scale. As such, the more communities use broadband, the less costly it will be for its members. Thus, the cost of connecting, for example, an elementary school with a fiber optic connection is directly affected by the broadband adoption rate of surrounding homes and businesses. The same holds true for whether the local health care clinic is using sophisticated electronic medical records, or whether the local government is using broadband for its own public safety or other

operations. This is particularly acute for smaller communities in which the private business case for broadband is difficult.

Fortunately, we can positively impact the deployment and adoption of broadband in our communities by aggregating demand from residents, businesses, and anchor institutions, and by planning for use of shared infrastructure, and even by building that infrastructure themselves where circumstances warrant.

The Plan makes several recommendations designed to encourage and facilitate this type of pro-active, local and community involvement. It suggests implementing policies designed to encourage and facilitate the collaborative and coordination efforts necessary, such as: changing our e-Rate rules, facilitating joint purchasing of network connectivity and services, and fostering public-private partnerships for broadband training and adoption.

In my remarks today, I want to focus on three sets of recommendations in which the participation of local governments is absolutely critical – (1) infrastructure access; (2) municipal broadband investment, and (3) universal service reform.

First, the Plan makes several recommendations relating to access to poles, conduits and rights-of-way. These are all crucial elements for building and expanding broadband networks, for both wireline and wireless providers. As such, ensuring all service providers can obtain access to infrastructure efficiently and at reasonable and fair prices is important for facilitating network expansion, upgrades, and competition. Up to 20 percent of the cost of fiber optic deployment results from the expense of obtaining permits and leasing poles and rights-of-way. Thus, the Plan proposes several recommendations for improving access to infrastructure.

For such assets that are privately-owned, the Plan contains recommendations that will help ensure reasonable rates, efficient and practical timelines for access, and improved intelligence of availability.

For rights-of-way and other infrastructure owned by government, the Plan proposes that a Joint Task Force made up of Federal, State, Local, and Tribal policymakers develop policy guidelines for public rights-of-way management. This Task Force will investigate and catalog current State and local rights-of-way practices and fee structures, building upon prior work conducted by NTIA and NARUC. It also can identify State and local policies and fees that encourage broadband deployment and can recommend guidelines for nondiscriminatory and reasonable rights-of-way management practices, as well as a process for resolving disputes. By identifying the best practices for local rights-of-way management, the Task Force can recommend policies that will encourage local broadband deployment.

The FCC intends on kicking off this Task Force in July. The Plan developed this approach in consultation with state and local policymakers, and I appreciate NATOA's stated commitment that it will work with the Task Force "to maximize its effectiveness." Together, I believe we can accomplish successful policies that will promote broadband deployment in unserved and underserved communities. I encourage you to continue to be active and constructive participants.

As a South Carolina Public Service Commissioner for 11 years, I saw firsthand that positive results can be attained when agencies at every level of government work together towards the greater public good. While not always easy, if we communicate and closely coordinate, we can learn from each other. In fact, I understand that our Broadband Team learned quite a lot already from experiences by State and local jurisdictions in the development of the National Broadband Plan. For example, the Plan's recommendations for "dig once" policies were a direct result from hearing about the experiences of state and local governments that had adopted smart policies related to the deployment of fiber optic cable conduit with other infrastructure.

For example, alongside a highway in the hills of western Massachusetts, proactive policymakers were able to leverage Department of Transportation infrastructure funding for an "intelligent highway system" to deploy 55 miles of fiber and 34 new high-speed on-ramps to the Internet for surrounding communities. Planning for broadband needs and conduit at the time that government is engaging in any public works project can result in economical network upgrades that will provide our communities with access to the next-generation of broadband services.

In addition to recommendations about improving providers' access to infrastructure for building broadband, the Plan also acknowledges that in some jurisdictions, no provider is constructing a broadband network. Thus, the Plan recommends that Congress clarify that State and local governments should not be restricted from building their own broadband networks. I firmly believe that we need to leverage every resource at our disposal to deploy broadband to all Americans. If local officials have decided that a publicly-owned broadband network is the best way to meet their citizens' needs, then my view is to help make that happen.

One example of a town that took control of its own digital destiny – Bristol, Virginia – led to additional jobs for that area. And last month I heard Lafayette, Louisiana's City-Parish President describe the development of economic opportunities in his city that were a direct result of the fiber network built by the community. Right here in North Carolina, I understand that Wilson and Salisbury are trying to invest in fiber optic systems that they hope will transform their local economies.

When cities and local governments are prohibited from investing directly in their own broadband networks, citizens may be denied the opportunity to connect with their nation and improve their lives. As a result, local economies likely will suffer. But broadband is not about simply dollars and cents, it is about the educational, health, and other social welfare future of our communities. Preventing governments from investing in broadband is counter-productive and may impede the nation from accomplishing the Plan's goal of providing broadband access to every American and community anchor institution.

Indeed, it is well-recognized and accepted that for a lot of the country, it will be necessary for public funds to support broadband deployment or operations where there is no private sector business case to do so. As such, the Plan proposes that the universal service system should be comprehensively reformed to explicitly support broadband in those areas. Just last week, the Commission began a proceeding to do just that, requesting public comment on how it should implement such reform. In fact, there is

overwhelming support throughout industry and at all levels of government for comprehensive universal service reform.

Recalibrating the universal service system so that it supports broadband in addition to voice service in those areas requiring assistance is an awesome challenge. I believe it is one of the most important things that we will undertake during my time at the Commission, because it will provide for the expansion of broadband to reach those Americans who currently cannot get online at home. And access to broadband at home is vital.

We have heard from consumers throughout the nation who don't have broadband access at home. Without broadband, it is more difficult for children to complete their homework. It is more challenging for the unemployed or underemployed to find or apply for a job, and applying for college can be problematic for high school students. These are just a few of the reasons that the Plan sets the lofty goal of every American having access to broadband at home.

But our broadband universal service proposals have to go beyond basic access to the home. The Plan establishes a goal that there should be at least 1 Gigabit per second connection to a community anchor institution such as schools, hospitals and government buildings in every community in America. As I described above, these anchor communities can pull broadband deeper into our communities and can lead to more broadband availability and adoption for surrounding homes and businesses. That is, the potential is there – if we do our jobs right and ensure that federal and state funding for institutional networks not be restricted from sharing broadband infrastructure.

Much needs to be done to connect our community anchor institutions. Only about one-third of major community anchor institutions have access to a broadband research and education network. Only 16 percent of community colleges have a broadband research and education network available to them. Thus, the Plan calls for the development of a coordinating entity to organize, negotiate for, and serve community anchor institutions to research and education networks. I know that NATOA, among other organizations, was instrumental in the work that led to this recommendation.

A Unified Community Anchor Network that provides broadband connectivity, training, applications and services will go a long way towards helping us reach the goal of every community having one gigabit of broadband service to its anchor institutions. Through coordination and aggregation of common costs, the overall expense for constructing and operating anchor institutional networks will decrease.

These are just some of the many proposals in the National Broadband Plan that will help us achieve our broadband deployment goals. While the delivery of the Plan to Congress in March was an important milestone, and I am so grateful for the many participants, such as the State and Local governments that contributed their ideas to make our Plan more effective, the work to implement the Plan has just begun.

As the Broadband Team has duly noted, the Plan is not meant to be stagnant. We are open to hearing how we can improve upon the Plan over time. Moreover, as we begin implementing the Plan, a continuing dialogue with our colleagues in State and local government is essential. Given that there are so many important distinctions across this

country – geography, topography, income levels, rural and urban areas, and the list goes on – it is absolutely crucial that Federal, State, and local governments work closely together to ensure that our broadband policies effectively serve every part of our nation.

I appreciate the opportunity to discuss with you today our goals for making broadband available to every American. The discussions you are hosting this week are a very important step to helping us attain our goal to connect all Americans. By expanding our community networks, we will grow our economies and create jobs. Our local communities will thrive, leading to a more secure and prosperous nation for us all. I thank you for your service to your local communities and to our great nation. Thank you.